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which does not exceed 15 years, and the useful life of the energy conservation measure must be at least 2 years.

(c) Leased equipment is not eligible for financial assistance under this part. Equipment which becomes the property of the grantee at the conclusion of a long-term purchase agreement without any additional payment is eligible.

§ 455.72 Scope of the grant.

Financial assistance awarded under this subpart may be expended for the design (excluding design costs funded under the technical assistance program), acquisition, and installation of energy conservation measures to reduce energy consumption or measures to allow the use of renewable resources in schools and hospitals or to shift energy usage to periods of low demand and cost. Such measures include, but are not necessarily limited to, those included in the definition of "energy conservation measure" in §455.2.

Subpart G—State Administrative Expenses

§ 455.80 Purpose.

This subpart describes what constitutes a State administrative expense that may receive financial assistance under this part and sets forth the eligibility criteria for States to receive grants for administrative expenses.

§ 455.81 Eligibility.

To be eligible to receive financial assistance for administrative expenses, a State must:

(a) Have in place a State Plan approved by DOE pursuant to §455.21 and

(b) Be operating a program to provide technical assistance and energy conservation measure grants, or technical assistance, program assistance, and marketing (where energy conservation measures are funded non-Federally) to eligible institutions pursuant to this part.

§ 455.82 Scope of the grant.

A State's administrative expenses shall be limited to those directly related to administration of technical assistance programs, program assistance and marketing programs, and energy conservation measures including costs associated with:

- (a) Personnel whose time is expended directly in support of such administration:
- (b) Supplies and services expended directly in support of such administration:
- (c) Equipment purchased or acquired solely for and utilized directly in support of such administration, subject to 10 CFR 600.436:
- (d) Printing, directly in support of such administration; and
- (e) Travel, directly related to such administration.

Subpart H—State Grants for Technical Assistance, Program Assistance, and Marketing

§ 455.90 Purpose.

This subpart describes what constitutes a State program for technical assistance, program assistance, and marketing that may receive financial assistance under this part and sets forth the eligibility criteria for States to receive grants for technical assistance, program assistance, and marketing.

§ 455.91 Eligibility.

To be eligible to receive financial assistance for technical assistance, program assistance, and marketing, a State must:

- (a) Have in place a State Plan approved by DOE which includes a description of the State's program or programs to provide technical assistance, program assistance, and marketing, pursuant to § 455.20(j)(1);
- (b) Have established a program consistent with this part to fund, from non-Federal sources, energy conservation measures for eligible institutions;
- (c) Provide to DOE a certification pursuant to § 455.122.

§ 455.92 State technical assistance awards.

Technical assistance awards by States under this subpart are subject to all requirements of this part which apply to DOE-awarded technical assistance program grants except that States:

§ 455.100

- (a) Are not required to award the funds in grant instruments;
- (b) May award the funds throughout the fiscal year subject to §455.144(a)(3); and
- (c) Are not required to rank applications under §455.131(b) of this part.

Subpart I—Cost Sharing

§455.100 Limits to Federal share.

Amounts made available under this part, together with any other amounts made available from other Federal sources, may not be used to pay more than 50 percent of the costs of technical assistance programs and energy conservation measures unless the grantee qualifies for the exceptions specified in §\$455.141(a), 455.142(b), or for severe hardship assistance specified in §455.142(c). In cases of severe hardship, the Federal share of the cost cannot exceed 90 percent.

§ 455.101 Borrowing the non-Federal share/title to equipment.

The non-Federal share of the costs of acquiring and installing energy conservation measures may be provided by using financing or other forms of borrowed funds, such as those provided by loans and performance contracts, even if such financing does not provide for the grantee to receive clear title to the equipment being financed until after the grant is closed out. However, grantees in such cases must otherwise meet all the requirements of this part, and financing and loan agreements and performance contracts under this section are subject to the requirements of 10 CFR Part 600 and the certification requirements under §455.111(e). Grantees must receive clear title to the equipment when the loan is paid off.

§ 455.102 Energy conservation measure cost-share credit.

To the extent a State provides in its State Plan, DOE may wholly or partially credit the costs of the following, with respect to a building, toward the required cost-share for an energy conservation measure grant in that building:

(a) A non-Federally funded technical assistance program;

- (b) A non-Federally funded technical assistance program update to comply with §455.20(q); and
- (c) The non-Federally funded implementation of one or more energy conservation measures, which complies with the eligibility criteria set forth in § 455.71.

§ 455.103 Requirements for applications for credit.

- (a) If a State has provided for credit in its State Plan pursuant to \$455.20(w), applications for credit will be considered only when the technical assistance programs or updates and the energy conservation measure projects for which credit is sought meet the applicable program requirements, such as those specified in \$455.61, \$455.62, \$455.71, and the relevant sections of 10 CFR part 600, except that the project need not comply with the Davis-Bacon Act regarding labor standards or wage rates.
- (b) Credit for energy conservation measures will be considered only when supported by a technical assistance analysis that meets the requirements of §455.62 and that was performed prior to the installation of the energy conservation measures.

§ 455.104 Rebates from utilities and other entities.

- (a) Grantees which receive rebates or other monetary considerations from utilities or other entities for installing the energy conservation measures funded by a grant under this part may use such funds to meet their cost-sharing obligations pursuant to § 455.100.
- (b) Where the rebate or monetary consideration does not exceed the non-Federal share of the cost of the measures applied for in a grant application, grantees are not required to deduct the amount of the rebate or monetary consideration from the cost of the measures, and DOE does not consider such rebates or monetary considerations to be program income which would have to be remitted to DOE upon receipt by the grantee.
- (c) Where the rebate or monetary consideration does exceed the non-Federal share of the cost of the measures applied for in a grant application,